

Unaudited Financial Statements And Dividend Announcement

**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3),
HALF-YEAR AND FULL YEAR RESULTS**

1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

	Group			Group		
	Third Quarter ended		Change	Nine Months ended		Change
	31-Mar-11	31-Mar-10		31-Mar-11	31-Mar-10	
	S\$'000	S\$'000		S\$'000	S\$'000	
Revenue	81,661	75,226	9%	203,294	186,841	9%
Cost of Sales	(42,566)	(39,271)	8%	(100,922)	(92,349)	9%
Gross Profit	39,095	35,955	9%	102,372	94,492	8%
Other operating income	367	435	-16%	1,166	660	77%
Distribution and selling expenses	(21,820)	(20,802)	5%	(62,129)	(57,988)	7%
Administrative expenses	(4,633)	(5,959)	-22%	(15,282)	(16,813)	-9%
Other operating expenses	-	(4)	-100%	(75)	(6)	1150%
Operating Profit	13,009	9,625	35%	26,052	20,345	28%
Foreign exchange gain	156	178	-12%	689	47	1366%
Interest income	32	5	540%	50	17	194%
Interest expenses	(270)	(163)	66%	(604)	(478)	26%
Goodwill written off	-	(25)	-100%	-	(25)	-100%
Profit before tax	12,927	9,620	34%	26,187	19,906	32%
Taxation	(1,733)	(1,995)	-13%	(6,746)	(3,877)	74%
Profit for the period, net of tax	11,194	7,625	47%	19,441	16,029	21%
Attributable to:						
Equity holders of the company	11,189	7,602	47%	19,398	15,948	22%
Non-controlling interests	5	23	-78%	43	81	-47%
	11,194	7,625	47%	19,441	16,029	21%

1(a) Consolidated Statement of Comprehensive Income

	Group Third Quarter ended		Change	Group Nine Months ended		Change
	31-Mar-11	31-Mar-10		31-Mar-11	31-Mar-10	
	S\$'000	S\$'000		S\$'000	S\$'000	
Profit for the period, net of tax	11,194	7,625	47%	19,441	16,029	21%
Other comprehensive income:						
Currency translation adjustments on foreign operations	(1,345)	(284)	374%	(7,519)	(2,892)	160%
Other comprehensive income for the period	(1,345)	(284)	374%	(7,519)	(2,892)	160%
Total comprehensive income for the period	9,849	7,341	34%	11,922	13,137	-9%
Attributable to:						
Equity holders of the company	9,847	7,315	35%	11,894	13,058	-9%
Non-controlling interests	2	26	-92%	28	79	-65%
	9,849	7,341	34%	11,922	13,137	-9%

Notes:

- (i) Operating profit is arrived at after charging(crediting) the following:

	Third Quarter ended		Nine months ended	
	31-Mar-11 S\$'000	31-Mar-10 S\$'000	31-Mar-11 S\$'000	31-Mar-10 S\$'000
Depreciation of property, plant and equipment	1,600	1,817	4,988	5,417
Amortisation of intangible assets	68	-	195	-
Gain on disposal of property, plant and equipment	(1)	(91)	(30)	(90)
Property, plant and equipment written off	15	43	22	86
Inventory written down	123	-	173	-
Inventory written off	1	-	1	-
Share-based payment expenses	124	82	309	153

1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

	Group		Company	
	31-Mar-11 S\$'000	30-Jun-10 S\$'000	31-Mar-11 S\$'000	30-Jun-10 S\$'000
Non-current assets				
Property, plant and equipment	63,966	64,142	451	119
Investment properties	19,493	7,021	-	-
Intangible assets	514	662	-	-
Investments in subsidiaries	-	-	53,030	52,928
Long term investments	4,390	-	4,390	-
Amount due from subsidiaries	-	-	24,273	24,273
	88,363	71,825	82,144	77,320
Current assets				
Inventories	48,502	44,858	-	-
Trade and other receivables	16,396	20,008	106	14
Prepayments	1,840	4,068	169	170
Amount due from subsidiaries	-	-	9,808	10,091
Fixed bank deposits	1,624	1,706	-	-
Cash and bank balances	39,876	33,899	1,241	1,373
	108,238	104,539	11,324	11,648
Current Liabilities				
Trade and other payables	26,765	28,923	980	1,738
Provision for long service payments	1	130	-	-
Amount due to subsidiaries	-	-	100	734
Hire purchase creditors	134	94	54	21
Provision for restoration costs	33	33	-	-
Deferred revenue	1,551	1,307	-	-
Interest bearing loans and borrowings	31,671	26,589	27,600	25,980
Tax Payable	5,751	4,905	852	843
	65,906	61,981	29,586	29,316
Net current assets / (liabilities)	42,332	42,558	(18,262)	(17,668)
Non-current liabilities				
Long term loans from minority shareholders of subsidiaries	144	156	-	-
Provision for long service payments	68	75	-	-
Provision for restoration costs	728	728	-	-
Hire purchase creditors	330	119	174	11
Interest bearing loans and borrowings	10,530	-	10,530	-
Deferred tax liabilities	5,327	5,411	63	63
	17,127	6,489	10,767	74
Net assets	113,568	107,894	53,115	59,578
Equity attributable to owners of the Company				
Share capital	38,377	35,487	38,377	35,487
Reserves	74,944	72,188	14,738	24,091
	113,321	107,675	53,115	59,578
Non-controlling interests	247	219	-	-
Total equity	113,568	107,894	53,115	59,578

1(b)(ii) Aggregate amount of group's borrowings and debt securities

Amount repayable in one year or less, or on demand

As at 31-Mar-11		As at 30-Jun-10	
Secured	Unsecured	Secured	Unsecured
S\$134,000	S\$31,671,000	S\$94,000	S\$26,589,000

Amount repayable after one year

As at 31-Mar-11		As at 30-Jun-10	
Secured	Unsecured	Secured	Unsecured
S\$330,000	S\$10,674,000	S\$119,000	S\$156,000

Details of any collateral

Nil

1(c) **A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year**

	Group		Group	
	Third Quarter		Nine Months	
	ended	ended	ended	ended
	31-Mar-11	31-Mar-10	31-Mar-11	31-Mar-10
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from operating activities				
Profit before taxation and non-controlling interests	12,927	9,620	26,187	19,906
Depreciation of property, plant and equipment	1,600	1,817	4,988	5,417
Amortisation of intangible assets	68	-	195	-
Gain on disposal of property, plant and equipment	(1)	(91)	(30)	(90)
Property, plant and equipment written off	15	43	22	86
Foreign currency translation realignment	(1,319)	(406)	(7,008)	(2,520)
Impairment of Goodwill	-	-	-	25
Inventory written down	123	-	173	-
Inventory written off	1	-	1	-
Interest income	(32)	(5)	(50)	(17)
Interest expense	270	163	604	478
Share-based payment expenses	124	82	309	153
Operating income before reinvestment in working capital	13,776	11,223	25,391	23,438
Decrease/(Increase) in trade and other receivables	1,215	(46)	3,619	1,379
Decrease/(Increase) in prepayments	1,119	977	2,228	(1,159)
Decrease/(Increase) in inventories	11,069	4,418	(3,818)	(3,369)
(Decrease)/Increase in trade and other payables	(9,427)	(4,846)	(1,914)	7,762
Increase/(Decrease) in long service payments	3	78	(117)	205
Cash generated from operations	17,755	11,804	25,389	28,256
Interest received	32	5	50	17
Interest paid	(270)	(163)	(604)	(478)
Income tax refund	93	-	98	-
Income tax paid	(1,731)	(750)	(5,594)	(5,381)
Net Cash generated by operating activities	15,879	10,896	19,339	22,414
Cash flows from investing activities				
Purchase of property, plant and equipment	(1,696)	(1,485)	(7,465)	(4,468)
Purchase of investment property	-	-	(12,486)	-
Purchase of intangible assets	(3)	-	(78)	-
Proceeds from sale of property, plant and equipment	4	146	44	176
Purchase of long term investment	-	-	(4,390)	-
Net Cash used in investing activities	(1,695)	(1,339)	(24,375)	(4,292)
Cash flows from financing activities				
Proceeds from interest bearing loans and borrowings	14,673	3,023	41,647	11,382
Repayment of interest bearing loans and borrowings	(23,426)	(3,802)	(26,035)	(11,500)
Proceed from hire purchase creditors	8	-	361	40
Repayment of hire purchase creditors	(49)	(155)	(107)	(231)
Proceed from exercise of employee share options	636	160	2,569	160
Proceed from loan from non-controlling shareholders of subsidiaries	(114)	-	-	-
Dividends paid	-	-	(9,126)	(7,930)
Net cash (used in) / provided by financing activities	(8,272)	(774)	9,309	(8,079)
Net increase in cash & cash equivalent	5,912	8,783	4,273	10,043
Cash and cash equivalent as at beginning of the period	35,253	27,247	35,605	25,378
Effects of exchange rates changes on cash and cash equivalents	335	(167)	1,622	442
Cash and cash equivalent as at end of the period	41,500	35,863	41,500	35,863

	Group Third Quarter ended		Group Nine Months ended	
	31-Mar-11	31-Mar-10	31-Mar-11	31-Mar-10
	S\$'000	S\$'000	S\$'000	S\$'000
A. Purchase of property, plant and equipment				
Aggregate cost of property, plant and equipment acquired	1,704	1,485	7,826	4,508
Less :				
Financed by hire purchase creditors	(8)	-	(361)	(40)
Cash payments to acquire property, plant and equipment	<u>1,696</u>	<u>1,485</u>	<u>7,465</u>	<u>4,468</u>

Note to Consolidated Cash Flow Statement

Cash and cash equivalents included in the consolidated statement of cash flows comprise the following balance sheet amounts:

	Group Third Quarter ended		Group Nine Months ended	
	31-Mar-11	31-Mar-10	31-Mar-11	31-Mar-10
	S\$'000	S\$'000	S\$'000	S\$'000
Fixed Bank Deposits	1,624	2,529	1,624	2,529
Cash and bank balance	39,876	33,334	39,876	33,334
	<u>41,500</u>	<u>35,863</u>	<u>41,500</u>	<u>35,863</u>

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Attributable to equity holders of the Company							Non-controlling interests	Total Equity
	Share capital	Asset revaluation reserve	Capital reserve	Share Option reserve	Foreign currency translation reserve	Revenue Reserve	Total		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000		
Group									
At 1 Jan 2011	37,648	11,602	453	721	(15,534)	67,824	102,714	245	102,959
Profit for the period, net of tax	-	-	-	-	-	11,169	11,169	5	11,174
Other comprehensive income	-	-	-	-	(1,342)	-	(1,342)	(3)	(1,345)
Total comprehensive income for the period	-	-	-	-	(1,342)	11,169	9,827	2	9,829
Shares issued pursuant to the exercise of share options	729	-	-	(93)	-	-	636	-	636
Share options lapsed	-	-	-	(1)	-	1	-	-	-
Grant of share options to employees	-	-	-	124	-	-	124	-	124
Dividends, Net	-	-	-	-	-	-	-	-	-
At 31 Mar 2011	38,377	11,602	453	751	(16,876)	78,994	113,301	247	113,548

Group	Attributable to equity holders of the Company						Total	Non-controlling interests	Total Equity
	Share capital	Asset revaluation reserve	Capital reserve	Share Option reserve	Foreign currency translation reserve	Revenue Reserve			
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000			
At 1 Jan 2010	34,931	8,138	453	695	(10,880)	57,833	91,170	192	91,362
Profit for the period, net of tax	-	-	-	-	-	7,602	7,602	23	7,625
Other comprehensive income	-	-	-	-	(287)	-	(287)	3	(284)
Total comprehensive income for the period	-	-	-	-	(287)	7,602	7,315	26	7,341
Shares issued pursuant to the exercise of share options	175	-	-	(15)	-	-	160	-	160
Share options lapsed	-	-	-	(4)	-	4	-	-	-
Grant of share options to employees	-	-	-	82	-	-	82	-	82
At 31 Mar 2010	35,106	8,138	453	758	(11,167)	65,439	98,727	218	98,945

Company	Attributable to equity holders of the Company			Total Equity
	Share capital	Share option reserve	Revenue Reserve	
	S\$'000	S\$'000	S\$'000	
At 1 Jan 2011	37,648	721	13,011	51,380
Total comprehensive income for the period	-	-	975	975
Shares issued pursuant to the exercise of share options to employees	729	(93)	-	636
Share option lapsed	-	-	-	-
Grant of share options to employees	-	124	-	124
At 31 Mar 2011	38,377	752	13,986	53,115
At 1 Jan 2010	34,931	695	12,843	48,469
Total comprehensive income for the period	-	-	1,426	1,426
Shares issued pursuant to the exercise of share options to employees	175	(15)	-	160
Share option lapsed	-	(4)	4	-
Grant of Share options to employees	-	82	-	82
At 31 Mar 2010	35,106	758	14,273	50,137

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

A) Changes in share capital during the financial period

As at 31st March 2011, the Company's issued and paid up capital, excluding treasury shares comprises of 441,047,217 (30th June 2010: 362,105,188) ordinary shares. Movement in the number of the Company's issued and paid-up capital, excluding treasury shares are as follows:

Number of shares issued and paid up 1-Jan-11	Shares issued pursuant to the exercise of share options	Number of shares issued and paid up 31-Mar-11
439,587,217	1,460,000	441,047,217

B) Share Options – Eu Yan Sang Employees Share Option Scheme

Between 1st January 2011 and 31st March 2011, the Company issued 1,460,000 ordinary shares under both the Eu Yan Sang Employees Share Option Scheme 2000 ("the 2000 scheme") and 2006 ("the 2006 scheme") schemes.

Under the 2000 scheme, options to subscribe for 3,872,500 shares remained outstanding as at 31st March 2011, compared to 4,496,250 as at 31st March 2010.

Under the 2006 scheme, options to subscribe for 10,065,000 shares remained outstanding as at 31st March 2011, compared to 11,870,000 as at 31st March 2010.

C) Performance Share Plan

At the extraordinary general meeting of the Company held on 25th October 2007, the Company's shareholders approved the adoption of the Eu Yan Sang Performance Share Plan ("EYS PSP"). As at 31st March 2011, no shares were granted and outstanding under the EYS PSP (31st March 2010: nil).

D) Treasury shares

No treasury shares were held by the Company as at 31st March 2011 and 31st March 2010.

1(d)(iii) To show the total number of issued shares excluding treasury shares at the end of the current financial period and as at the end of the immediately preceding year.

The number of issued shares as at 31st March 2011 is 441,047,217(30th June 2010: 362,105,188) ordinary shares.

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not Applicable.

2. Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice

The figures have not been audited or reviewed by the auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)

Not applicable

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

This financial statement has been prepared based on the accounting policies and methods of computation consistent with those adopted in the most recent audited financial statement for the year ended 30 June 2010.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

Not applicable

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

	Group		Group	
	Third Quarter Ended 31-Mar-11 (cents)	Third Quarter Ended 31-Mar-10 (cents)	Nine Months Ended 31-Mar-11 (cents)	Nine Months Ended 31-Mar-10 (cents)
Earnings per ordinary share of the Group based on net profit attributable to shareholders:				
(i) Based on the weighted average number of ordinary shares	2.87	2.11	4.98	4.42
Weighted average number of shares	389,419,631	360,552,688	389,419,631	360,552,688
(ii) On a fully diluted basis	2.84	2.10	4.92	4.41
Weighted average number of shares	394,424,592	361,697,775	394,424,592	361,697,775

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on and (b) immediately preceding financial year

	31-Mar-11	30-Jun-10
Net asset value per ordinary share based on issued share capital		
For the Group (Cents)	25.7	29.7
For the Company (Cents)	12.0	16.5

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-
- any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
 - any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

Overview

Group revenue for the third financial quarter ended 31st March 2011 ("3QFY11") increased 9% to S\$81.7 million as compared to the same period in last year ("3QFY10"). The increase was mainly attributable to the increase in retail sales in all our 3 core markets. Operating profit increased 35% to S\$13 million while profit for the year, net of tax, attributed to Equity holders of the company increased 47% to S\$11.2 million.

(A) Revenue

Group revenue for 3QFY11 increased by 9% to S\$81.7 million as compared to S\$75.2 million achieved in 3QFY10. The increase was mainly attributable to the increase in retail sales in all our 3 core markets, namely Hong Kong, Malaysia and Singapore.

Revenue by Activities:

Activities	Group			Group		
	Third Quarter ended		Change	Nine Months ended		Change
	31-Mar-11	31-Mar-10		31-Mar-11	31-Mar-10	
	S\$'000	S\$'000		S\$'000	S\$'000	
Retail - TCM*	70,032	62,948	11%	167,953	152,071	10%
Wholesale - TCM	7,173	8,329	-14%	21,463	23,093	-7%
Clinic - TCM	3,795	3,485	9%	11,964	10,555	13%
Others	661	464	42%	1,914	1,122	71%
	81,661	75,226	9%	203,294	186,841	9%

- *Traditional Chinese Medicine ("TCM") - comprising Chinese Proprietary Medicine ("CPM"), Health Foods and Medicinal Herbs.*

Retail – TCM revenue achieved in 3QFY11 was 11% higher than 3QFY10. Retail activities were relatively resilient at our outlets throughout the regional markets as consumers continue to recognise our premium brand and accept TCM as an alternative to western medicine and health supplements. The Group's top selling products such as Bottled Bird's Nest ("BBN"), Bo Ying Compound ("BYC"), Bak Foong Pills ("BFP"), Lingzhi Cracked Spores Capsules ("LCS") and Essence of Chicken ("EOC") continue to be our top selling products.

Wholesale – TCM revenue decreased by 14% to S\$7.2 million in 3QFY11, the decrease was mainly due to slower stock replenishment by wholesalers during the Lunar New Year period.

Clinic – TCM revenue increased by 9% to S\$3.8 million in 3QFY11, mainly due to recognition of TCM as an alternative to western medicine.

Revenue under Others was mainly contributed from food & beverages and rental income.

Turnover by Geographical Locations:

Core Countries		Group			Group		
		Third Quarter ended			Nine Months ended		
		31-Mar-11	31-Mar-10	Change	31-Mar-11	31-Mar-10	Change
		'000	'000	%	'000	'000	
Hong Kong*	SGD	30,194	28,079	8%	83,577	79,673	5%
	HKD	183,038	155,574	18%	495,516	437,764	13%
Singapore**	SGD	20,507	19,139	7%	57,591	51,852	11%
	SGD	30,960	28,008	11%	62,126	55,316	12%
Malaysia	MYR	73,548	69,084	6%	147,140	134,297	10%
	SGD	81,661	75,226	9%	203,294	186,841	9%
Total	SGD	81,661	75,226	9%	203,294	186,841	9%

* Include Macau and China.

** Include Australia

Hong Kong market led our growth by 18% to HK\$183 million, Singapore market grew 7% to S\$20.5 million while Malaysia market increased by 6% to MYR76.5 million. These revenue growth in our core countries signified robust demand for our products as we continue to fulfill our vision to our customer.

(B) FY2011 Outlets & Clinics

Countries	Retail		General TCM Clinics		Premier TCM Clinics		Integrative Medical Centre	
	Added / (Closed)	Total	Added / (Closed)	Total	Added / (Closed)	Total	Added / (Closed)	Total
Malaysia	4	77	1	3	-	-	-	-
Hong Kong	(1)	50	-	-	-	-	-	2
Singapore	1	47	1	18	-	2	-	-
China	-	3	-	-	-	-	-	-
Macau	-	2	-	-	-	-	-	-
Total	4	179	2	21	-	2	-	2

In 3QFY11, the Group added 4 outlets and 2 clinics. The establishment of these new outlets and clinic will contribute positively to the improvement of our Group turnover.

C) Profitability

In line with the higher revenue in 3QFY11, Gross Profit increased by 9% to S\$39.1million compared to S\$36 million achieved in 3QFY10. Gross Profit margin was stable at 47.9%. Operating Profit increased by 35% to S\$13 million as compared to 3QFY10 were mainly due higher revenue generated and lower administrative expenses incurred in 3QFY11.

Profit for the period, net of tax, attributable to shareholders of the company for 3QFY11 increased by 47% to S\$11.2 million as compared to S\$7.6 million in 3QFY10 was mainly due to higher revenue and tax refund received in 3QFY11.

(D) Other operating income

The decrease in other operating income was mainly due to a government grant received in 3QFY11.

(E) Distribution and selling expenses

In 3QFY11, distribution and selling expenses increased 5% to S\$21.8 million as compared to 3QFY10. The higher distribution and selling expenses were mainly due to higher salaries and rental expenses.

(F) Administrative expenses

In 3QFY11, administrative expenses decreased 26% to S\$4.4 million as compared to 3QFY10 was mainly due to the extension of cost cutting measures adopted since FY10.

(G) Interest income and Interest expenses

Higher interest income was due to higher fixed deposits interest received from our principal bankers.

Higher interest expenses were attributable to higher interest bearings loans as compared with 3QFY10.

(H) Taxation

Lower tax expenses were mainly due to tax refund received in 3QFY11.

(I) Investment properties

The increase was due to the purchase of an industrial property in Singapore.

(J) Long term investments

The increase was due to the purchase of a stake in Healthzone Limited, a company listed on the Australian Stock Exchange.

(K) Inventories

Higher inventories were due to stocking up at our retail outlets in anticipation of higher demand in subsequent quarters.

(L) Trade and other receivables

Lower trade and other receivables were due to timing differences of payment from our debtors.

(M) Prepayments

Lower prepayments were mainly due to the reclassification of the prepaid portion of an industrial property to investment properties upon the completion of the purchase.

(N) Trade and other payables

Lower trade and other payables were due to timing differences of payment to our creditors.

(O) Interest bearing loans and borrowings

Higher interest bearing loans and borrowings were mainly due to the purchase of an industrial property in Singapore and financing of inventories in anticipation of demand in subsequent quarters.

(P) Tax payable

Higher tax payable was mainly due additional tax expense accrued relating to prior year tax assessment finalized by the tax authority in Malaysia.

(Q) Cash flows

Net cash generated from operating activities for 3QFY11 was S\$15.9 million. The increase was due mainly to higher profit before tax and decreased in inventories level.

Net cash used in investing activities increased by S\$0.4 million in 3QFY11 was mainly due to the purchase of property, plant and equipment.

Net cash provided by financing activities in 3QFY11 decreased by S\$7.5 million as compared with 3QFY10 was mainly attributed to higher repayment of interest bearing loans and borrowings.

As at 31st March 2011, the Group had cash and cash equivalent amounting to S\$41.5m as compared to S\$35.9 m as at 31st March 2010.

The Group's gearing ratio was 37.8% as at 31st March 2011.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

The results for the period are in line with the prospect statement contained in the FY2010 full year announcement made on 26th August 2010.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

The economic outlook for our core markets remains healthy despite concerns over increasing commodity and food prices threatening economic growth. The demand for quality healthcare products and services may remain resilient, driven by growing affluence and ageing population.

Notwithstanding positive sentiments on the strong economic growth of our core markets, the global outlook remains uncertain. Against a backdrop of rising retail rentals and raw material prices, the general market and business conditions are expected to remain challenging and competitive in the next 12 months. The weakening US dollar may also impact our results when expressed in Singapore dollar terms. Moving forward, the Group's strategy is to continue leveraging on its competency and brand strength to explore opportunities to grow its core business. The Group will continue to manage its business risks prudently and review its business strategy with a view to enhance shareholders' value.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

None

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

None

(c) Date payable

Not applicable

d) Books closure date

Not applicable

12. If no dividend has been declared/recommendeded, a statement to that effect

Not applicable

13. Board negative assurance confirmation for 3rd Quarter FY11 and 9 months FY11 results

The Board of Eu Yan Sang International Ltd does hereby confirm that to the best of its knowledge, nothing has come to the attention of the Board which may render the 3rd quarter FY11 and 9 months FY11 un-audited financial statements for the period ended 31st March 2011 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Danny Heng Hang Siong
Chief Financial Officer & Company Secretary
12th May 2011